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September 4, 2007

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Upper Davis Sand, Reservoir A, of the Cotton Valley Formation; Lower Cotton Valley Formation, Reservoir A; and D Sand of the Cotton Valley Zone, Reservoir A; GREENWOOD-WASKOM FIELD, Caddo Parish, Louisiana.

Dear Sir:

GREYSTONE OIL & GAS, L.L.P. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Upper Davis Sand, Reservoir A, of the Cotton Valley Formation; the Lower Cotton Valley Formation, Reservoir A; and to the D Sand of the Cotton Valley Zone, Reservoir A; all in the Greenwood-Waskom Field, Caddo Parish, Louisiana:

Upper Davis Sand, Reservoir A,
of the Cotton Valley Formation

1. To dissolve the units shown on an attached plat and designated CV U DAVIS RA SUA and CV U DAVIS RA SUB, created for the Upper Davis Sand, Reservoir A, of the Cotton Valley Formation by Office of Conservation Order No. 270-AA, effective August 3, 1984.

The Upper Davis Sand, Reservoir A, of the Cotton Valley Formation in the Greenwood-Waskom Field, Caddo Parish, Louisiana, was defined in Office of Conservation Order No. 270-AA, effective August 3, 1984.

Lower Cotton Valley Formation
Reservoir A

1. To create four (4) additional drilling and production units for the exploration for and production of gas and condensate from the Lower Cotton Valley Formation, Reservoir A, such units being shown on an attached plat and being designated LCV RA SUK through LCV RA SUN.

2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.

3. To designate an Operator of, and unit wells for, the proposed additional units as may be appropriate.

4. To redefine the Lower Cotton Valley Formation, Reservoir A, insofar and only insofar as to the proposed units LCV RA SUK through LCV RA SUN, as being that gas and condensate bearing interval encountered between the measured depths of 8,771 feet and 9,990 feet, electric log measurements, in the Elgie Company, Inc. (formerly Amoco Production Company)--Eugene F. Dunn No. 1 Well (SN 169220), located in Section 2, Township 16 North, Range 16 West, Caddo Parish, Louisiana.

5. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 270-V, effective July 31, 1981, as amended and supplemented by the Order No. 270-V series of Orders, and of all applicable Statewide Orders, to the proposed additional units.

6. To authorize the downhole combination of production from the Lower Cotton Valley Formation, Reservoir A, and the D Sand of the Cotton Valley Zone, Reservoir A, in the wellbore of any well drilled on the identical units LCV RA SUK and CVD RA SUNN; LCV RA SUL and CVD RA SUPP; LCV RA SUM and CVD RA SUQQ; and LCV RA SUN and CVD RA SURR; in which the ownership interests in the units are identical.

7. To discuss such other matters as may be pertinent to the Lower Cotton Valley Formation, Reservoir A.

The Lower Cotton Valley Formation, Reservoir A, in the Greenwood-Waskom Field, Caddo Parish, Louisiana, was initially defined in Office of Conservation Order No. 270-V, effective July 31, 1981, and was redefined as to certain units in Office of Conservation Order No. 270-V-4, effective June 5, 2007.

D Sand of the
Cotton Valley Zone

1. To authorize Applicant to drill, designate and utilize substitute unit wells for CVD RA SUNN, CVD RA SUPP and CVD RA SUQQ at the locations shown on an attached plat, in exception to the spacing provisions of Office of Conservation Order No. 193-B, effective January 5, 1954.

2. To designate Applicant as Operator of CVD RA SUNN, CVD RA SUPP and CVD RA SUQQ.

3. To find that the proposed substitute unit wells are necessary to efficiently and economically drain a portion of the hydrocarbons underlying the units on which they are proposed to be drilled which cannot be efficiently and economically drained by any existing well within these units.

4. To discuss such other matters as may be pertinent to the D Sand of the Cotton Valley Zone, Reservoir A.

The D Sand of the Cotton Valley Zone, Reservoir A, in the Greenwood-Waskom Field, Caddo Parish, Louisiana, is defined in Office of Conservation Order No. 193-B, effective January 5, 1954.

Any pertinent data concerning this application will be available for inspection at the offices of Mr. Joe B. Adams, 21010 Vermont Street, Livingston, Louisiana 70754. Any person wishing to inspect any such data should call Mr. Adams at (225) 686-2355 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated August 3, 2007, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and a pre-application conference with respect to Applicant's proposals was thereafter held beginning at 10:00 o'clock a.m. on August 30, 2007, in Shreveport, Louisiana. Attached is a list of the names and addresses of those persons present at the conference.

The purpose of the conference was explained as well as the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences in good faith. Following this presentation there was a general question and answer period concerning the proposals of Applicant. Thereafter the conference was adjourned with no counterplan having been presented, although one participant expressed concern about well locations on his property.

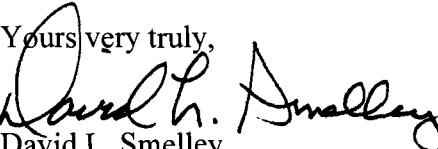
Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of each of the unit plats (which are identical to the plats attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of each of the attached plats is being sent to the District Manager of the Shreveport District of the Office of

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Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Greenwood-Waskom Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

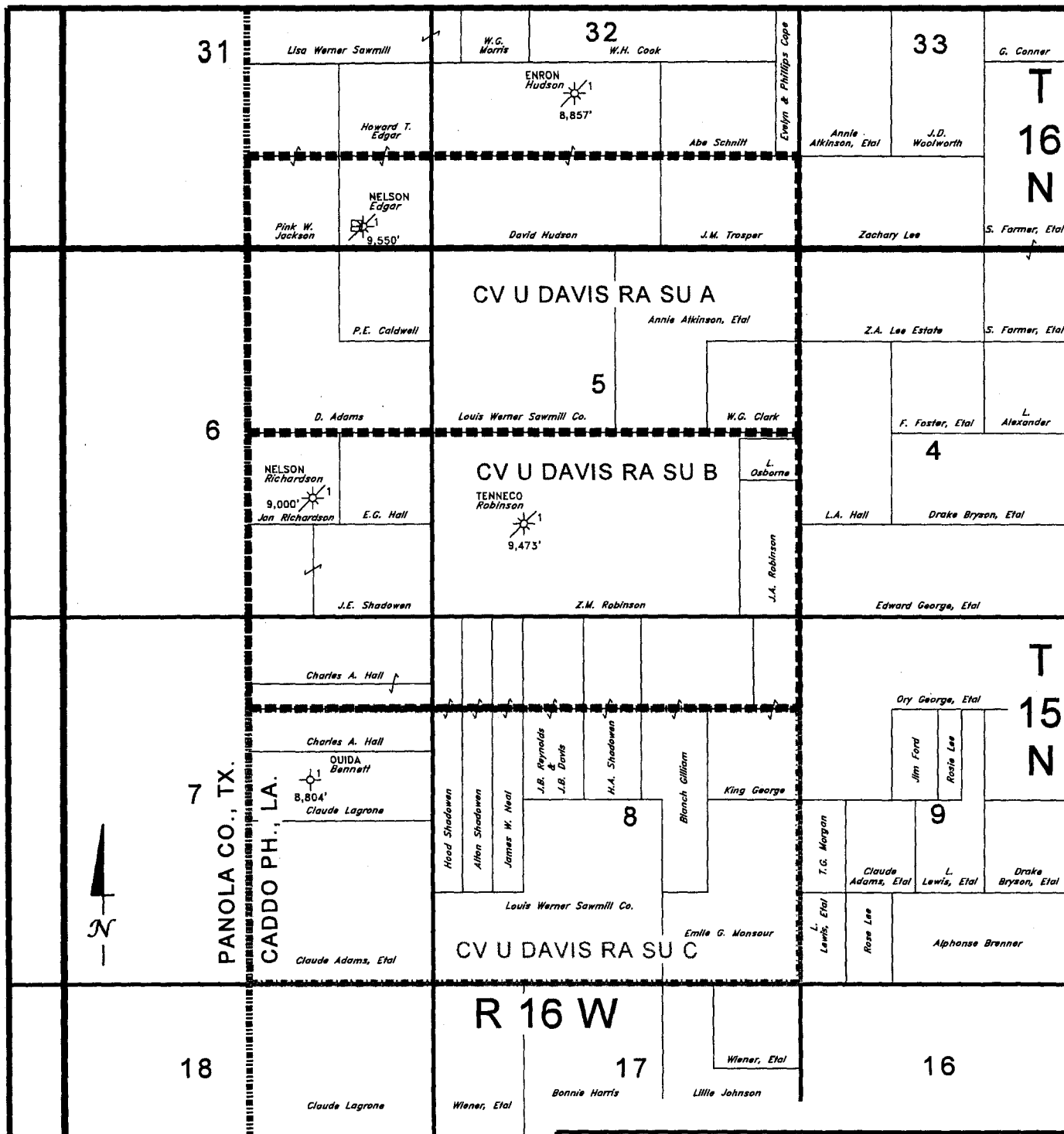
Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,

David L. Smelley

-- Attorney for Greystone Oil & Gas, L.L.P.

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Carl Drews (w/encls.)
Mr. Joe Adams (w/encl.)
Interested Owners, Represented Parties
and Interested Parties (w/plats only)



----- - UNITS TO BE DISSOLVED

||||| - EXISTING CV U UNIT
NOT TO BE DISSOLVED

NOTE: ALL UNIT BOUNDARIES
ARE GEOGRAPHIC.

NOTE: ONLY WELLS BELOW 5,000'
ARE SHOWN

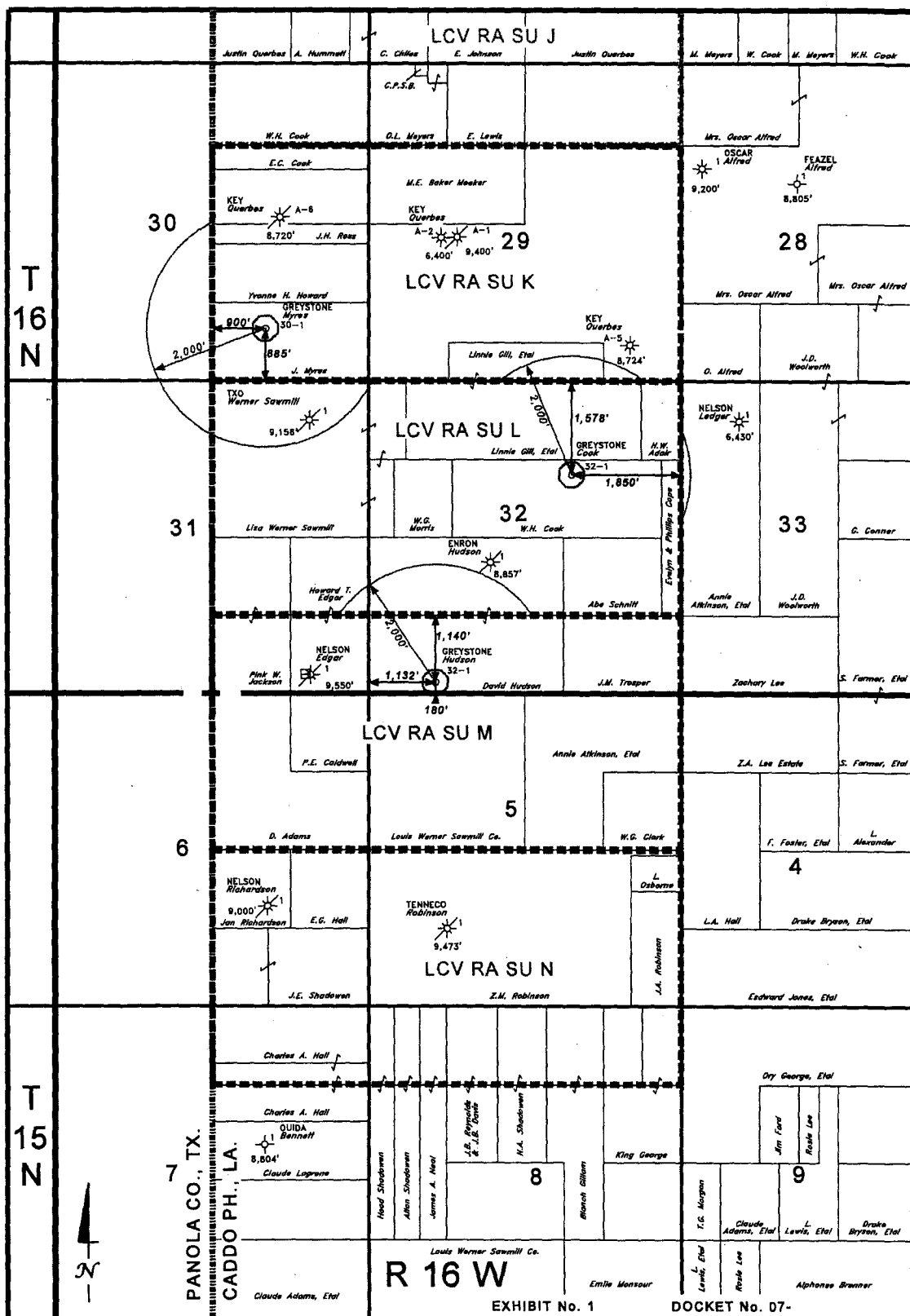
GREYSTONE OIL & GAS, L.L.P.

GREENWOOD - WASKOM FIELD CADDO PARISH, LOUISIANA

Units To Be Dissolved CV U DAVIS RA SU A & B

0' 2000' 4000' 6000'

Geology: JOE B. ADAMS



○ - PROPOSED UNIT WELLS

----- - PROPOSED LCV UNITS

===== - EXISTING LCV UNITS

NOTE: 2,000' RADIUS MEASURED INTO ADJACENT UNITS.

NOTE: ALL UNIT BOUNDARIES ARE GEOGRAPHIC.

NOTE: ONLY WELLS BELOW 5,000' ARE SHOWN



EXHIBIT No. 1

DOCKET No. 07-

GREYSTONE OIL & GAS, L.L.P.

GREENWOOD - WASKOM FIELD
CADDOPARISH, LOUISIANA

Proposed Units & Unit Wells
Lower Cotton Valley

Date:

0' 2000' 4000' 6000'

Geology: JOE B. ADAMS

